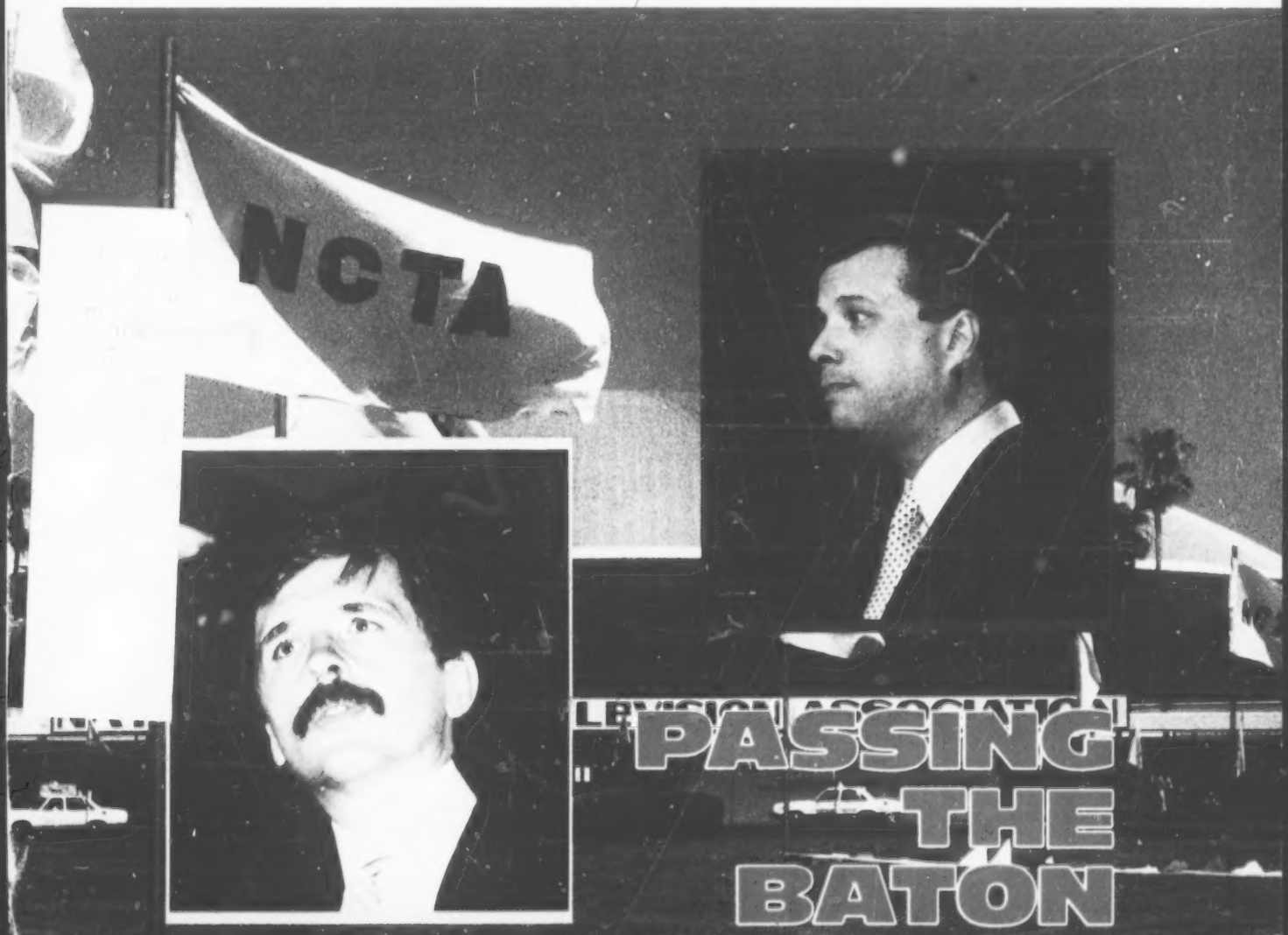
PLUS
TECHNOLOGY
'Think-tanking' new tech

- **NCTA '84: heavy substance, lighter booth traffic**
- **Uncertainty over cable bill accord with cities**
- **ESPN raises per sub rates 53.8 percent**
- **Turner cements $20 million NBA pact**

CableVision™

The news and features weekly of the cable television industry June 18, 1984



CableVision

This Week in Cable, pages 16-26

June 18, 1984, Volume 9, Number 42

NCTA '84 WRAP-UP

In the wake of stormy cable legislation and consumer-satisfaction studies, 14,805 turned out for this year's convention. *CableVision* editors report on the convention activities, and on how this year's pomp and circumstance reflected the maturity of the industry.

ESPN TO BOOST RATE

ESPN will raise its per-sub rate by more than 50 percent. Ted Turner, who vied for ownership of the network, indicates TBS may act in kind.

INDUSTRY SPLIT, BILL MOVES ON

Industry observers' reviews of the cable accord between the industry and cities are mixed. But there *is* agreement — and that's good news to some.

TBS: EXCLUSIVE NBA RIGHTS

Ted Turner scores again! The TBS chairman inked a contract with NBA Commissioner David Stern, giving the network exclusive rights to cablecast NBA basketball games.

PROGRAMMING 28

Major networks made a number of important programming announcements to television writers and critics at this year's National Cable Forum. Los Angeles Bureau Chief Eric Taub reports on those announcements and the various celebrities on hand at the occasion.

MARKETING/ADVERTISING 35

An important study by International Communications Research zeroed in on the degree of satisfaction felt by cable customers — with encouraging results. New York correspondent Cecilia Capuzzi details ICR's findings. Also, Showtime and Cinemax kick off high-dollar, multi-media advertising campaigns.

BUSINESS 63

GI merges with TOCOM, United Cable plans to hike its basic sub rate and UA's sub count will get a big boost after the MSO merges with GE.

GOVERNMENT & LAW 72

The NCTA and city officials may have hammered out a cable bill compromise, but leased access provisions may well ruffle a few feathers when H.R.4103 comes up for consideration in the House. And Minorities In Cable Inc. has taken on a bigger name — and bigger plans as well.

Departments

BETWEEN THE LINES 5
NEWSWIRE 11
CABLESCOPE 13
LEADING THE WEEK 16
STOCK MARKET 70
CLASSIFIEDS 80
ADVERTISERS' INDEX 84
EVENTS 86
REGIONAL REPORT 90
CABLE STATS 94
PARTING WORDS 98

About the cover

Photographer Rhoda Pollock photographed outgoing NCTA President Tom Wheeler and incoming president Jim Mooney at the group's NCTA Las Vegas fete.

Pages 39-62 PLUS

Keeping up with new technology

In light of merging and emerging communications technology, the industry is taking a step back to try to make heads or tails of it all. *CableVision Plus* spells out just how the industry is fueling R&D in an ongoing attempt to deliver its service in the most cost-effective manner possible. Also, *Plus* focuses on the dos and don'ts of grounding installs, with an eye to safety and regulatory considerations.

Titsch Communications Inc.

Robert Titsch, President
Dean J. Kilpatrick, Executive Vice President
Chief Operating Officer
Michael Borer, Chief Financial Officer
Joyce Hemmen, Director of Operations

Michael B. McCready, Vice President/Publisher
Victor Livingston, Editor-in-Chief (New York)

EDITORIAL:
New York - Cecilia Capuzzi, Sally Russell, Associate Editors; Simon Applebaum, Manager, Editorial Services; Robert DiMatteo, Reviewer; Fred Dawson, Senior Editor.
Denver - Loren Finkelstein, Rosalie Heim, Assistant Managing Editors; Victoria Otis, Senior Editor; Gary Kim, Constance Warren, Associate Editors; Lisa Snyder, Teresa Jemming, Editorial Assistants.
Washington, D.C. - Paul McCloskey, Senior Correspondent.
Los Angeles - Eric Taub, Bureau Chief.

PRODUCTION:
Carol Rush, Production Director; Kathy Berlin, Assistant Production Director; Brad Hamilton, Art Director; Diane Krensky, Yashpal Singh, Nanette Campbell, Earl V. DeWald, Shari Wanda, Francine Stephens, Artists; Nancy Laverty, Christine Cunningham, Typesetters.

ADVERTISING:
Denver - Donna Briggs, National Sales Manager; Cathy Wilson, Senior Account Executive; Marcia Larson, Account Executive; Suzanne Sparrow, Classified Sales Manager; Pam Berke, Marketing Coordinator/Customer Service; Judith Ferland, Circulation Director; Mike Mullins, Circulation; K. Kelly Banwell, Traffic Manager; Patti Crossland, Traffic.

OFFICES:
Denver - 1621 18th St., Denver, Colo. 80202 (or P.O. Box 5727, T.A., Denver, Colo. 80217) (303) 295-0900.
New York - 101 Park Ave., Suite 401, New York, N.Y. 10178, (212) 661-7410.
Los Angeles - 101 North Robertson Blvd., Suite 206, Beverly Hills, Calif. 90211, (213) 659-3965.
Washington - 1701 K St., NW, Suite 505, Washington, D.C. 20006, (202) 835-0900.

CableVision (issn 0361-8374) is published weekly by Titsch Communications Inc., 1621 18th Street, Denver, Colorado 80202 (or P.O. Box 5727, T.A., Denver, Colorado 80217), (303) 295-0900. Volume 9, Number 42. Subscription price: 1 year $64.00, 2 years $119.00, 3 years $154.00. Outside U.S.A. 1 yr. $124, 2 yrs. $205, 3 yrs. $274. PREPAYMENT IN U.S. DOLLARS REQUIRED. Second class postage paid at Denver, Colorado. POSTMASTER: Please send address changes to CableVision, P.O. Box 5727, T.A., Denver, Colorado 80217-5727.

BPA

CABLE TURNS ON SUBSCRIBERS

WASHINGTON, D.C.—Cable subscribers and former subscribers gave the industry overwhelmingly high marks in customer satisfaction, according to International Communications Research. The results of its benchmark study on cable customer satisfaction, conducted for the National Cable Television Association, confirm in detail the theme of this year's NCTA convention: "Cable: The Consumer's Choice."

Five out of every six current subscribers, or more than 80 percent, said they were very or somewhat satisfied with cable; two-thirds of former subscribers said they were happy with cable and were likely to re-subscribe. Of those, 29 percent missed cable "a lot," and another 34 percent miss it "a little."

ICR, a division of Titsch Communications Inc., a subsidiary of International Thomson Business Press, sampled by telephone 1,501 people involved in the cable subscription decision. Its positive findings come as the industry attempts to shake a reputation for poor customer service and repetitive programming—issues incoming NCTA Chairman Ed Allen has labelled a "bum rap" voiced by a "vocal minority."

"It reminds me of an old story," Allen said. "If you do something right, the subscriber will tell four people about it. But if you do something wrong, they'll tell 40 people. If a system surveyed its own subscribers, they'd find out that subscribers love us."

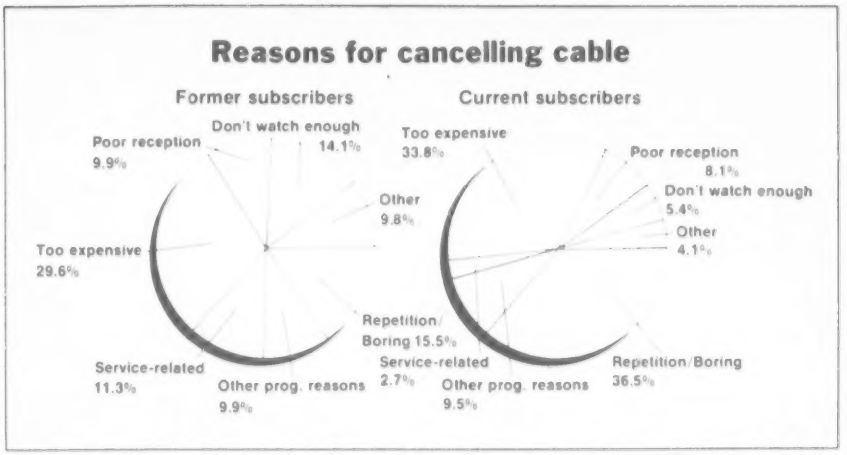
ICR also tempered its results: "This data demonstrates that there is a solid bedrock of satisfaction overall in programming and customer care. There are faultlines in the bedrock to be sure. While 80 percent of current subscribers and 60 percent of former subscribers—a major portion of the universe—are satisfied with cable, not many are so overjoyed that they can't think of something to criticize when an interviewer invites them to. They do complain."

Probably one of the most significant findings of the study is that former subscribers are still disposed favorably to cable and could represent a means for the operator to easily increase penetration.

"The survey indicates that most subscribers who disconnect are sorry and just haven't been approached (for resale)," Allen said. "Here is a tremendous pool of people who regret disconnecting and are waiting to be asked."

A boost in satisfaction among current and former subscribers pays "dramatic dividends," ICR states in the study results. It found that only 2 percent of current subscribers who are very satisfied with cable are likely to disconnect. More than one-quarter of the small group of very dissatisfied customers are likely to disconnect.

The study also isolated reasons for which subs and non-subs are likely to subscribe to cable in the first place. Variety in channel selection headed the list for



subscribers, with 26 percent reporting channel choice as the primary factor in their decision to subscribe. Twenty-two percent said they bought cable for better reception; 14.9 percent for program variety; 14.7 percent for movies; 8.1 percent for sports; 2.8 percent for children's programming.

Priorities were different among non-subscribers. Twenty-five percent said they ordered cable for more movies; 20.4 percent for channel variety; 13.6 percent for program variety; 8.7 percent for better reception; 7.8 percent for sports; and 1.9 percent for children's programming.

Former subscribers also were more susceptible to discount offerings and packaged deals. More than 75 percent of former multipay subscribers said discounts were at least somewhat important in their decision to take more than one pay service, compared with 58 percent of current multipays.

Former subscribers, however, as with their subscribing counterparts, said they prefer cable to other forms of comparable entertainment such as home video rentals and movies.

Looking at programming alone, the majority of current and even former subscribers—who generally complain about repetitive fare—gave cable's fare a high score. Eighty-two percent of current subs said they were at least somewhat satisfied with cable's offerings; 77.7 percent of former subs said they were at least somewhat satisfied.

Although programming is "indeed an issue among customers," according to ICR, subscribers "wield" the programming issue "as a sword"—but rarely disconnect for that reason alone.

In examining reasons for disconnects, ICR found almost half of the complaints of current subscribers considering dropping cable centered on programming issues, specifically repetition and boredom. However, only 25 percent of those who did drop service gave programming as their reason for disconnecting. This figure does not include those who moved, or anticipated moving, from the franchise area. The second most common reason was subscription fees.

Customer service, although generating significantly positive results, nevertheless proved to be one of the industry's key problem areas. Seventy-five percent of current subscribers said they were at least somewhat satisfied with system customer service, compared to 64.7 percent of former subs, excluding those who disconnected because of a move outside the franchise area.

"There is the feeling that some of the salespeople are so interested in the sale at the door that they don't try to put themselves in the place of the consumer," Allen said. "Sales stay solid, with less churn, if the subscriber buys what he needs rather than what is sold."

ICR reported that salespeople register a "disturbingly low score—a 7 rating on a 10 point scale for current subs; a 6 rating for former subs—on (having) genuine concern for individual household needs." ICR also stated there is a "precipitous drop-off in likelihood to reconnect when service ratings are low."

The salesperson's impact is heightened because former subscribers and those who have never subscribed are more likely to hear about cable from a door-to-door salesperson. They are not likely to have formed impressions about cable before talking to him or her, ICR reported.

There is also a high correlation between overall customer service ratings and attempted and successful system contacts, according to the study. The CSR rated well among subscribers in four of five categories—courtesy, information, personality and resolve. CSRs got low ratings in what ICR termed the "key variable": ability to get through to the system (6.5 rating out of 10 from current subs; 5.25 among former subs). Cable installers were rated very highly among current and former subscribers; repairmen scored well among currents and were rated lower by former subs.

—Cecilia Capuzzi

Programming services

Programming service	Satellite/ transponder	Start-up date	Affiliates (as of 4/84)	Subscribers (as of 4/84)	Programming hours
Basic programming services					
American Christian Television Systems (ACTS)	Westar V/2X	5/84	70	1,000,000	18/day
Arts & Entertainment	Satcom III/1 Westar V/12D	4/81	1,500	10,000,000	20/day
Black Entertainment Television (BET)	Galaxy I/17	1/79	319	6,409,897	6/day
Cable News Network (CNN)	Satcom IIIR/14 Galaxy I/7	6/80	4,395	25,978,000	24/day
CNN Headline News	Satcom IIIR/15 Galaxy I/8	1/82	1,177	10,894,000	24/day
C-SPAN	Galaxy I/13 Satcom IIIR/19	3/79	350	17,000,000	24/day
CBN Cable Network	Satcom IIIR/8	4/77	4,395	23,000,000	24/day
Country Music Television	Comstar D4/9H	3/83	165	4,100,000	24/day
Entertainment & Sports Programming Network (ESPN)[1]	Comstar D4/7V Satcom III R/7	9/79	7,810	30,200,000	24/day
Eternal Word Television Network (EWTN)	Satcom IIIR/18	8/81	155	2,400,000	4/day
Financial News Network (FNN)	Satcom IIIR/4 Westar V/11D	11/81	960	16,100,000	13/day M-F
The Learning Channel	Satcom IIIR/16	10/79	511	4,499,681	16/day
Lifetime	Satcom IIIR/17	2/84	1,818	18,600,000	24/day
Modern Satellite Network (MSN)	Satcom IIIR/22	1/79	521	9,700,000	4/day M-F
Music Television (MTV)[2]	Satcom IIIR/11	8/81	2,400	19,300,000	24/day
The Nashville Network	Westar V/9D Galaxy I/2	3/83	2,000	15,900	18/day
National Christian Network	Satcom IV/7	6/80	95	1,200,000	24/day
National Jewish Television[3]	Westar V/12X	5/81	179	3,570,000	3/day Sun
Nickelodeon[4]	Satcom IIIR/1	4/79	3,200	18,400,000	13/day
Prime of Life	Satcom IV/7	4/84	NA	NA	3/day
PTL Satellite Network	Satcom III/2	4/78	1,000	10,000,000	24/day
Santa Fe Communications	Satcom IV/23	4/84	NA	NA	24/day
Satellite Program Network (SPN)	Satcom IV/3	1/79	517	11,900,147	24/day
The Silent Network	Comstar D4/9H	2/84	183	6,100,000	2/day Thurs
SIN Television Network[5]	Galaxy I/6	6/76	251	28,068,100	24/day
Trinity Broadcast Network	Satcom IV/17	5/78	343	4,057,000	24/day
USA Network	Satcom IIIR/9	9/80	4,000	23,000,000	24/day
The Weather Channel	Satcom IIIR/21	5/82	1,170	11,800,000	24/day
WGN-TV	Satcom IIIR/3	11/78	5,437	13,690,130	24/day
WOR-TV	Galaxy I/15	4/79	988	4,605,287	24/day
WPIX-TV	Westar V/6D	5/84	152	885,000	24/day
WTBS-TV	Satcom IIIR/6	12/76	6,388	29,330,000	24/day

CABLE STATS

Programming service	Satellite/ transponder	Start-up date	Affiliates (as of 4/84)	Subscribers (as of 4/84)	Programming hours
Pay programming services					
Bravo	Satcom IV/2	12/80	146	213,000	10/day M-F 13/day Weekend
Cinemax	Satcom IIIR 23 (west) 20 (east)	8/80	2,100	2,700,000	24/day
The Disney Channel	Westar V 5X (west) 6X (east)	4/83	1,300	916,000	19/day
Galavision	Galaxy I/20	10/79	200	130,000	12/day M-F 5/day Weekend
Home Box Office (HBO)	Galaxy I 23 (east) Satcom IIIR 24 (east) 13 (west)	9/75	5,500	13,500,000	24/day
Home Theatre Network[4]	Satcom IIIR/16	7/77	400	275,000	12/day
The Movie Channel	Satcom IIIR/5 (east) Galaxy I/14 (west)	1/80	2,750	3,100,000	24/day
The Playboy Channel	Satcom IV/12	12/80	420	684,000	10/day
The Pleasure Channel	Westar V	6/84	NA	NA	6/day
Showtime	Satcom IIIR 12 (east) 10 (west)	7/76	3,000	5,400,000	24/day
Regional entertainment services					
Atlanta Interfaith	non-sat-fed	2/81	7	126,000	20/day
Atlantis Entertainment Network	non-sat-fed	1/81	NA	NA	NA
Bay Area Religious Channel (BARC)	non-sat-fed	10/83	5	105,100	4/day M-F
Buffalo Sabres Hockey	non-sat-fed	10/74	13	450,000	varies
Festival - The Texas Cable Network	non-sat-fed	3/83	7	547,000	6/day
Home Sports Entertainment - Dallas	Satcom IV/4	4/83	NA	NA	6.5/day
Home Sports Entertainment - Houston	Satcom IV/11	1/83	15	20,000	6.5/day
Home Team Sports	Galaxy I/12	4/84	12	NA	24/day
Life Newsvision	non-sat-fed	2/82	7	11,200	24/day
Madison Square Garden Network	Westar V/8D	3/68	52	1,630,000	9/day
Meadows Racing Network	Westar V/8X	11/83	19	275,000	4/day F-Sat
Metro Channel	non-sat-fed	3/83	4	109,141	6/day
New England Sports	Satcom IR/17	4/84	8	230,000	6/day
Newsday Cable	non-sat-fed	3/83	1	228,000	24/day
PRISM-Philadelphia	non-sat-fed	9/76	90	372,000	24/day
Pro-Am Sports	Westar V/7X	1/84	30	12,000	4/day
Sonics Superchannel	non-sat-fed	2/81	10	25,000	varies
SportsChannel (New England)	non-sat-fed	1/83	44	57,000	varies
Sports Channel (New York)	non-sat-fed	4/79	36	357,000	varies
Sports Time Cable Network	Satcom IIIR/4	4/84	NA	NA	6/day M-F 12/day Sat Sun
SportsVision	Satcom IV/9	5/82	17	24,000	varies
Sportsvue Network	Westar V/4X	1/84	19	17,500	varies
Video Music Channel	non-sat-fed	7/82	24	267,804	18/day
Z-Channel	non-sat-fed	4/74	21	99,650	24/day

Note: NA denotes not available
ND denotes no data
*NA denotes to be announced
[illegible]